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FOR IMMEDIATE RELEASE

Montana's Minimum Wage Increasing \$.35 January First

Pursuant to state statute Montana's minimum wage will increase from \$6.55 per hour to \$6.90 per hour effective January 1, 2009. "As the economy continues to struggle, we know that here in Montana we are doing everything we can to minimize the impact", says Labor Commissioner Keith Kelly.

More than 70% of Montana voters supported raising the state's minimum wage when they voted in favor of Initiative 151 that appeared on the ballot in 2006. The initiative proposed raising the state's minimum wage to be the greater of either the current state or federal minimum wage. It also added an annual cost-of-living adjustment to the state minimum wage. Under the previous law, Montana's minimum wage was equal to the federal minimum wage, which was \$5.15 an hour with no cost of living adjustment.

Montana law requires an adjustment to the minimum wage to be calculated no later than September 30 of each year.

The increase in the minimum wage is based upon any increase in the U.S. City Average Consumer Price Index for All Urban Consumers for All Items (CPI) from August of the preceding year to August of the year in which the calculation is made. This amount is to be rounded to the nearest five cents.

The current minimum wage rate is \$6.55. Based on an increase in the CPI of 5.4% from August, 2007 to August, 2008, the calculation used for determining the minimum wage rate for 2009 is as follows:

 $$6.55 \times 5.4\% = $.35 = 6.90

The federal minimum wage is set to increase to \$7.25 per hour July 24th, 2009. For more information relating to Montana's minimum wage, log onto www.mtwagehourbopa.com

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